

**GILEAD****COMMUNITY SERVICES, INC. • Serving Middlesex County**

Improving Lives, Building Futures

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DATE: March 24, 2022

TO: Appropriations Committee, Health Subcommittee

FROM: Daniel Osborne, CEO Gilead Community Services

RE: H.B.5037 **An Act Concerning the State Budget For The Biennium Ending June 30, 2023**

Good afternoon Senator Osten, Representative Walker, Senator Miner, Representative France and distinguished members of the Appropriations Committee. My name is Daniel Osborne and I am the CEO of Gilead Community Services in Middletown. Gilead has provided a full continuum of high quality Mental Health & Addiction services in Middlesex County for over 50 years and we have recently expanded to Hartford County.

Thank you for the opportunity to testify on H.B. 5037, An Act Adjusting The State Budget For The Biennium Ending June 30, 2023. And, thank you for providing a 4% Cost of Living Adjustment that you prioritized to include in last year's budget.

Today, I am here to advocate on behalf of our 300+ dedicated and trained staff members, and our 2000+ amazing program participants, along with the thousands of community members who support and benefit from our services. I am here to insist that you honor our long-term plan to appropriate \$461 million over five years based on the data that has been outlined by the CT Nonprofit Alliance. In order to continue the work that we accomplished together last session, we would need to receive an additional 8% increase in 2023.

My message for you has three parts. We need you; you need us and nothing about this is confusing.

We need you! The fact of the matter is that as a behavioral healthcare provider that hundreds of people rely on, our current contracts have destabilized us! This is not hyperbole. We have 70 vacancies at Gilead out of our 250 positions. This is an unprecedented vacancy rate over 25%. And, the remarkable and devoted staff that have stayed with us through this staffing crisis continue to feel underpaid and overworked. They are beginning to explore other options. Their commitment to our mission is why they have stayed with us, and is what makes us special, but without consistent cost of living adjustments to our contracts, we can't offer pay rates that are being offered by school districts, telehealth companies, for-profit organizations and the state. Our staff are underpaid and they know that I am committed to enhance their compensation, but I cannot do that without your partnership. This cycle of underpayment for high quality and compassionate care should not and cannot continue!

You need us! Nonprofits in Connecticut are consistently there to answer the call when our towns, cities, counties and state call on us. We don't need to look any further than the COVID-19 pandemic to see evidence of this. Gilead provided basic needs support and isolation/quarantine resources to hundreds of people in our community during the pandemic. We distributed PPE, facilitated testing sites, provided education and partnered with other community agencies to make sure that our community members had the support they needed.

Nothing about this is confusing. In my conversations with several of your colleagues, a question has come up about whether or not nonprofits are hypocritical and sending a mixed message in boasting about cost effectiveness and cost savings and then turning around and complaining about being underfunded and the negative impacts that has had on us. Through those conversations, we have found clarity in the fact that we as nonprofit providers do not require flat funding in order to remain a highly cost effective resource for the state.

Gilead has opened 5 new programs over the last 15 years that save the state \$250,000.00 each compared to the cost of the alternative placements; inpatient hospitals. That 1.25M in cost savings that one nonprofit agency in Middlesex County has created for the state is not diminished at all by a 4% increase last year or an 8% increase this year. In fact, investing in good faith contracting with nonprofits that includes cost of living adjustments allows us to reinvest in our communities and expand new programing to produce additional cost savings for the state. Nothing about this is confusing.

There are a lot of behavioral health services and initiatives within the governor's budget that I support. However, it does not provide support to existing programs that are struggling to meet the demand for services.

I am urging you to fight for these programs. Fight for the plan that the Alliance has outlined for a \$461 million increase. And please index future increases to inflation to ensure that future funding keeps pace with increase costs!

I would like to end my testimony this year the same way I ended it last year. I come before you some years and, honestly, I am not really sure if our state can do the things that we are asking to be done, but I advocate for them because I know that they need to be done and I am hopeful that we will eventually get there. This year, like last year is different. These steps are achievable, we all know that they are. But, it requires that all of you believe that the services that non-profits provide to our communities is of great value and needs to be preserved for future generations and that you act on that belief. Please act on what you know is right!

Respectfully,

Daniel Osborne
Chief Executive Officer
Gilead Community Services

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